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## **Wheat - - - 1957 Quotas - Allotments**

#291 A referendum of wheat growers in the 1957 commercial wheat-producing area on July 20 will decide two questions about the 1957 wheat program:

- • • Whether marketing quotas, with penalties on "excess" wheat, are to be in effect for the 1957 wheat crop; and
- • • The level of price support available for "cooperators."

At least two-thirds of those voting must approve if the quotas are to be in operation.

If the quotas are approved, price supports will be available to each farmer who complies with his farm wheat acreage allotment at a level between 75 and 90 percent of parity; if quotas are not approved, price support will be available to such farmers at 50 percent of parity, as provided by law.

The referendum vote is on quotas, not allotments.

Acreage allotments will remain in effect for the 1957 wheat crop even if marketing quotas are disapproved.

### **Who Can Vote**

Farmers who would be subject to quotas—those in commercial wheat States who will have more than 15 acres of wheat on a farm for harvest as grain in 1957—are eligible to vote in the referendum.

"Commercial wheat States" for 1957 are all the States except Alabama, Arizona, Connecticut, Florida, Louisiana, Maine, Massachusetts, Mississippi, New Hampshire, Nevada, Rhode Island, and Vermont. Wheat acreage allotments and marketing quotas are not effective in noncommercial wheat States.

## **Here's the Situation**

Legislation provides that wheat marketing quotas must be proclaimed and a referendum held among growers in years of abnormally excessive supplies.

The wheat supply for the marketing year beginning July 1, 1956 is now estimated at almost 2 billion bushels of wheat, with well over a billion bushels carried over from previous crops. This supply would meet all our anticipated needs—domestic and export—for the next 2 years; it is 71 percent more than what the law specifies as “normal.”

When the total supply of wheat is so large that it exceeds the normal supply by more than 20 percent, the law directs the Secretary of Agriculture to proclaim marketing quotas for the following wheat crop. This he did on May 14.

Growers themselves, in the 1957 commercial wheat-producing area, however, will make the final decision on whether to use quotas for the 1957 wheat crop in the referendum on July 20.

## **How the Program Works**

For 1957—the third successive year, the national wheat acreage allotment has been established at 55 million acres. This is the “minimum” level specified by law under present conditions of heavy supply. At average yields, this acreage allotment would produce about 860 million bushels. This would be slightly less than the expected disappearance of wheat during the year.

This national allotment is allocated to States and the State allotments to counties according to the average wheat acreage in each State and county for the 10 years 1946-55, with adjustments for abnormal weather, acreage diverted under previous allotment programs, and trends in acreage.

States with wheat acreage allotments of more than 25,000 acres are considered to be “commercial wheat States”; those with wheat acreage allotments of 25,000 acres or less are designated as “noncommercial wheat States” where wheat acreage allotments and marketing quotas do not operate.

The county wheat acreage allotment (in commercial wheat States) is divided among the farms in the county, with each farm allotment based on the farm's past wheat acreage, tillable acres on the farm, crop rotation practices, type of soil, and slope and lay of the land.

In general, each farm on which a wheat crop was grown for 1954, 1955, or 1956 will be assigned an acreage allotment. Marketing quotas are based on these acreage allotments. For a farm on which wheat will be seeded for the first time since July 1, 1953, the farmer must make a special application for a "new farm" allotment.

If marketing quotas are approved in the July 20 referendum, they will apply to all farms in the commercial wheat States with more than 15 acres of wheat for harvest as grain. Farms on which the wheat acreage harvested for grain exceeds the farm wheat allotment (if the allotment is larger than 15 acres) or exceeds 15 acres (if the farm wheat allotment is 15 acres or less) will have excess wheat acreage. The excess acreage will be the difference between the farm wheat allotment and the number of acres harvested for grain, regardless of the size of the allotment.

The wheat harvested from excess acreage will be considered excess wheat, and a marketing quota penalty of 45 percent of the May 1, 1957 parity price for wheat will be assessed against it. When the penalty is paid on the excess wheat, the producer may market all his production on the farm without further penalty. When the excess is stored or delivered to the Secretary of Agriculture in accordance with regulations, the producer is free to market the remainder of his wheat production on the farm as he chooses.

## **Price Support For 1957**

The law provides for price support each year at a level between 75 and 90 percent of parity. This is the price-support level available to wheat growers in commercial wheat States who comply with their farm acreage allotments, provided marketing quotas are approved.

If wheat quotas are not approved, the available support to growers who comply with their farm acreage allotments will be 50 percent of parity.

The level of price support for wheat in noncommercial States is established by law at 75 percent of the level in the commercial area.

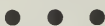


**If quotas are approved—**

- All farms in commercial wheat States with more than 15 acres of wheat will be subject to quotas.
- Price support will be available to co-operators (those who do not exceed their acreage allotments) at a level between 75 and 90 percent of parity.

**If quotas are disapproved—**

- There will be no quota penalties for excess wheat.
- Allotments will remain in effect.
- Price support will be available to co-operators at 50 percent of parity.



## **For More Information**

Information on local voting places, hours of voting, eligibility to vote, and program details may be obtained from the County Agricultural Stabilization and Conservation Office, or from county or community ASC Committeemen.

The date of the wheat marketing quota referendum is July 20, 1956.